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Maine State Legislature

Office of Fiscal and Program Review

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FISCAL NEWS

MONTHLY NEWSLETTER OF THE OFFICE OF FISCAL AND PROGRAM REVIEW

OCTOBER 2011

Volume 5 Number 10

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The Office of Fiscal and Program Review (OFPR) is a nonpartisan staff office of the Legislative Council providing budget, tax and general fiscal research and analysis for the Maine State Legislature.



Month In Review

General Fund revenue has recovered after a very poor performance in July and ended the first quarter of FY 2012 with a modest positive variance. The initial shortfall in July caused primarily by much lower than anticipated Individual Income Tax withholding receipts has been offset by strong performances in the Corporate Income Tax and Sales and Use Tax.

Highway Fund revenue continues to struggle, falling further below budget. While some of the negative variance reflects some backlogs in motor vehicle registration revenue processing, which have shown some improvement in October, fuel consumption has been declining faster than assumed as a result of continuing high gasoline and diesel fuel pump prices.

The Consensus Economic Forecasting Commission's update of the economic forecast at the end of October significantly lowered the projections of economic growth or lack thereof through calendar year 2013, which will negatively affect sales and individual income tax forecasts. An improvement in the corporate profits forecast as well as some of the recent positive revenue variances for the General Fund may help soften some of the negative effects of the slower economic growth assumptions.

Total FY 2012 first quarter expenditures of the State's operating funds, which include the General Fund, Highway Fund, federal funds and dedicated revenue accounts, increased by 4.5% compared with same quarter last fiscal year. Much of the increase was caused by the growth of certain General Fund and dedicated revenue accounts that reflected shifts of expenditures from federal stimulus funds and the Highway Fund, respectively.

Heating oil prices remain a significant concern as prices are projected to be 10% higher than last year's and the specter of potential federal budget cuts on heating oil assistance. This will certainly hurt taxable sales during the winter heating season.

The performance of financial markets during the first quarter of FY 2012 was dismal and resulted in a drop of nearly 10% in MainePERS investments. For the 12-month period ending September 30th, the return on MainePERS investments remained very low, but still positive, buoyed by the very strong performances during most of FY 2011.

The average of MaineCare weekly cycle payments that spiked during the month of August have recently moderated somewhat, but expenditures remain significantly above last fiscal year. The Department of Health and Human Services (DHHS) is still trying to pin down the reasons behind the increase.



General Fund Revenue Update

Total General Fund Revenue - FY 2012 (\$'s in Millions)

	Budget	Actual	Var.	% Var.	Prior Year	% Growth
September	\$288.7	\$303.6	\$14.8	5.1%	\$288.4	5.3%
FYTD	\$603.8	\$609.7	\$5.9	1.0%	\$586.8	3.9%

General Fund revenue was over budget by \$14.8 million (5.1%) for September, which turned the fiscal year-to-date (FYTD) variance positive by \$5.9 million or 1.0%. The 3.9% growth rate for the first quarter of FY 2012 compared to the same period in the last fiscal year is above the virtually flat growth assumption in the current forecast for all of FY 2012. Preliminary data indicate October's General Fund revenue will end very close to budget.

The most significant factor in this positive variance has been the Corporate Income Tax, which was above budget by \$9.0 million and \$12.5 million through the first quarter of FY 2012. Even though October's performance is below projections for the month, the improved projections in the revised economic forecast suggest that corporate income tax collections will remain above current projections.

Taxable sales remained on target for the first quarter of FY 2012 despite the sizeable increase in the growth rate assumption in the FY 2012 forecast that is almost double the growth assumption for FY 2011. Even October revenue collections seem to be staying close to budget. However, concerns remain about achieving this higher growth target once we are past what appears to have been a very good peak tourism season and enter the winter heating season with fuel prices at very high levels.

Individual Income Tax was over budget by \$3.7 million in September, lowering the variance for the

first quarter of FY 2012 to \$5.8 million. Withholding payments were on target in September, but remained \$12.7 million under budget for the first quarter of FY 2012, due to July's substantial negative variance. Preliminary data for October indicate that the Individual Income Tax will be close to budget and will not put much of a dent in the negative variance of the fiscal year.

The Transfers to Tax Relief Programs category remained under budget through the first quarter by \$6.0 million. At this point, the earlier than expected payouts under the Circuitbreaker and Business Equipment Tax Reimbursement (BETR) programs are assumed to be offset by positive variances later in the fiscal year.

Cigarette tax collections remain a concern and have fallen below budget by \$1.2 million through the first quarter of FY 2012. The growing weakness in this revenue source may have been exacerbated by a recent cigarette tax rate decrease in New Hampshire.

Collections of fine revenue remain the other concern as the Revenue Forecasting Committee prepares to update the revenue forecast for its December 1st statutory reporting date. Fine revenue through the first quarter of FY 2012 was \$1.4 million or 18.5% under budget. This variance is primarily due to a significant decline in the number of violations filed by state and local law enforcement officers.

Highway Fund Revenue Update

Total Highway Fund Revenue - FY 2012 (\$'s in Millions)

	Budget	Actual	Var.	% Var.	Prior Year	% Growth
September	\$26.2	\$24.9	(\$1.4)	-5.2%	\$25.4	-2.0%
FYTD	\$63.3	\$60.9	(\$2.4)	-3.8%	\$63.1	-3.6%

Highway Fund revenue was under budget by \$1.4 million (5.2%) in September, further increasing the negative variance to \$2.4 million (3.8%) for the first quarter of FY 2012. First quarter Highway Fund revenue reflected a decline of 3.6% compared with the same period in FY 2011. Current budgeted revenue for FY 2012 is projected to increase by 1.6%.

Fuel Taxes were under budget by \$0.7 million in September and \$1.3 million for the first quarter. There has been a high degree of volatility compared to budget from month to month in this category, but overall the trend does seem to indicate some general decline in consumption for both gasoline and diesel fuel with very high fuel prices exhibiting their effects on behavior.

**Highway Fund Revenue Update (continued)**

Through September, the Bureau of Motor Vehicles continued to experience some temporary staffing issues that have affected the recording of motor vehicle registration fee revenue from local

governments. The negative variance at the end of the first quarter of FY 2012 of \$1.4 million has finally broken into positive territory for the month of October based on preliminary data.

Economic and Revenue Forecasting Update

The Consensus Economic Forecasting Commission (CEFC) met on Monday, October 24th to conclude the deliberations on its fall update of the economic forecast due by November 1st. After the early presentations from business and industry groups and the more pessimistic revisions to the national and Maine forecasts by the major forecasting firms, it was no surprise that the CEFC lowered the assumptions for employment and income growth in the short-term. The table below compares the major variables in the economic forecast of last April 1st to this November 1st forecast.

While the size of the downward revisions in employment and income would appear to put

significant downward force on the revenue forecast, there are some mitigating factors. The largest factor is the improvement in the assumption for the growth of corporate profits with very sizeable upward revisions in 2011 and 2012. In addition, the positive variances of last fiscal year and the first quarter of this fiscal year may soften the blow as the models are targeted to that higher level of past performance before applying the lower growth rates. While these positive factors will help, the extent of the reduction to the growth assumptions will most certainly produce a lower revenue projection for each year of the 2012-2013 biennium.

Consensus Economic Forecasting Commission
Comparison of April 2011 and November 2011 Economic Forecasts

Calendar Years	2010	2011	2012	2013	2014	2015
• Wage & Salary Employment (Annual Percentage Change)						
> Consensus 04/2011	-0.6%	0.4%	1.5%	1.5%	1.4%	1.2%
> Consensus 11/2011	-0.6%	0.1%	0.1%	0.8%	1.3%	1.4%
Difference	0.0%	-0.3%	-1.4%	-0.7%	-0.1%	0.2%
• Personal Income (Annual Percentage Change)						
> Consensus 04/2011	3.0%	4.6%	2.9%	4.0%	4.0%	4.0%
> Consensus 11/2011	1.7%	3.8%	3.0%	3.0%	4.7%	4.8%
Difference	-1.3%	-0.8%	0.1%	-1.0%	0.7%	0.8%
• Consumer Price Index (Annual Percentage Change)						
> Consensus 04/2011	1.6%	2.5%	1.8%	2.0%	2.3%	2.1%
> Consensus 11/2011	1.6%	3.0%	1.3%	1.9%	2.3%	2.1%
Difference	0.0%	0.5%	-0.5%	-0.1%	0.0%	0.0%
• Before Tax Corporate Profits (Annual Percentage Change)						
> Consensus 04/2011	36.3%	-7.3%	0.2%	20.8%	6.5%	-3.8%
> Consensus 11/2011	25.0%	3.7%	6.7%	12.2%	5.3%	-2.5%
Difference	-11.3%	11.0%	6.5%	-8.6%	-1.2%	1.3%



State Expenditure Update

For the first quarter of FY 2012, state expenditures grew by 4.5% compared with the same period in FY 2011. General Fund expenditures grew by 17.5% and Other Special Revenue Funds, dedicated revenue accounts, increased by 8.6%. These were partially offset by declines in the Highway Fund (8.9%) and Federal Funds (8.3%). The decline in Federal Funds reflects the loss of federal American Recovery and Reinvestment Act (ARRA) stimulus funding, primarily through an enhanced Medicaid matching rate. The decline in Highway Fund spending was the result of a significant shift in funding for transportation from the Highway Fund to Other Special Revenue Funds for GARVEE and TransCap revenue bonding spending that, in turn, produced the growth rate in Other Special Revenue Funds during the first quarter.

Budgeted General Fund expenditure growth for FY 2012 is currently 6.5%. The unusually large growth for the first quarter was primarily tied to

MaineCare spending and the shift of Medicaid costs from federal funds to the General Fund and Other State Funds due to the loss of the enhanced matching rate. Overall growth of MaineCare program expenditures and a \$29.7 million repayment to the Federal Government combined with a matching rate change account for nearly all of the \$122.2 million increase in Department of Health and Human Services (HHS) General Fund spending. HHS spending growth in turn accounted for nearly the entire \$126.6 million General Fund spending increase in the first quarter. Other significant increases in General Fund spending were in the Department of Administrative and Financial Services (DAFS) including the effect of one-time savings initiatives for the 2010-2011 biennium in certain tax relief programs and a \$5 million payment for the outsourcing of accounting system costs. DAFS spending growth in the first quarter accounted for a \$15.5 million.

Operating Funds - Expenditures through First Quarter

Operating Funds:	FY 2011	FY 2012	% Change
General Fund	\$722,366,848	\$848,940,624	17.5%
Highway Fund	\$105,303,664	\$95,944,224	-8.9%
Other Special Revenue Funds	\$199,185,545	\$216,223,942	8.6%
Federal Funds	\$682,436,959	\$625,453,695	-8.3%
Total Operating Funds	\$1,709,293,015	\$1,786,562,485	4.5%
General Fund Expenditure by Major Department			
Education	\$265,684,319	\$257,559,775	-3.1%
Health and Human Services	\$190,526,464	\$312,721,223	64.1%
Corrections	\$33,406,944	\$33,280,029	-0.4%
Administrative and Financial Services	\$53,575,959	\$69,096,399	29.0%
Other Departments and Agencies	\$179,173,162	\$176,283,197	-1.6%
Highway Fund Expenditure by Major Department			
Transportation	\$88,106,076	\$78,442,565	-11.0%
Secretary of State	\$8,663,491	\$8,595,831	-0.8%
Public Safety	\$7,928,018	\$8,130,468	2.6%
Other Departments and Agencies	\$606,079	\$775,360	27.9%



Cash Update

The average total cash pool balance for September was \$526.4 million, \$11.3 million less than one year ago. However, General Fund internal cash flow borrowing was \$39.5 million less than a year ago. Although the General Fund cash balance is beginning to show the effect of the \$43 million General Fund borrowing from Other Special Revenue Funds to balance the FY 2012 General Fund budget that will be repaid in FY 2013, overall cash pool balances remain healthy enough to avoid external borrowing in FY 2012 absent any significant variances in spending or revenue.

Summary of Treasurer's Cash Pool**September Average Daily Balances****Millions of \$'s**

	2010	2011
General Fund (GF) Total	\$34.3	\$38.7
General Fund (GF) Detail:		
Budget Stabilization Fund	\$25.4	\$71.5
Reserve for Operating Capital	\$11.2	\$17.1
Tax Anticipation Notes	\$0.0	\$0.0
Internal Borrowing	\$175.0	\$135.5
Other General Fund Cash	(\$177.3)	(\$185.3)
Other Spec. Rev. - Interest to GF	\$34.1	\$51.7
Other State Funds - Interest to GF	\$8.0	\$24.8
Highway Fund	\$43.3	\$28.2
Other Spec. Rev. - Retaining Interest	\$55.1	\$44.9
Other State Funds	\$251.7	\$225.2
Independent Agency Funds	\$111.3	\$112.9
Total Cash Pool	\$537.7	\$526.4

MainePERS Investment Update

Financial markets turned negative in the first quarter of FY 2012. Maine Public Employees Retirement System (MainePERS) investments were down 9.9% for the quarter but up 0.6% over the previous one year period. During the same period, the US stock market returned 0.7%, international stocks were down 10.4%, and the US bond market increased by 5.3%.

Despite the slight investment gain, the total fund declined \$167 million for the one year period, from \$9.7 billion as of September 30, 2010 to \$9.6 billion as of September 30, 2011, due to negative cash flow. The negative cash flow occurred because retirement benefits paid exceeding the amount of contributions

received from employers and employees. To make up for this shortfall in FY 2011, MainePERS liquidated investments in the amount of \$181 million.

The table below shows the long-term returns as of September 30, 2011. Over the past 30 years, the fund has had an average return of 9.5% per year. It is important to realize that quarterly and annual performance can deviate significantly from this long-term average in any given year.

This performance will not affect the rates for the 2012-2013 biennium, which were established based on the returns and value for the total fund as of June 30, 2010.

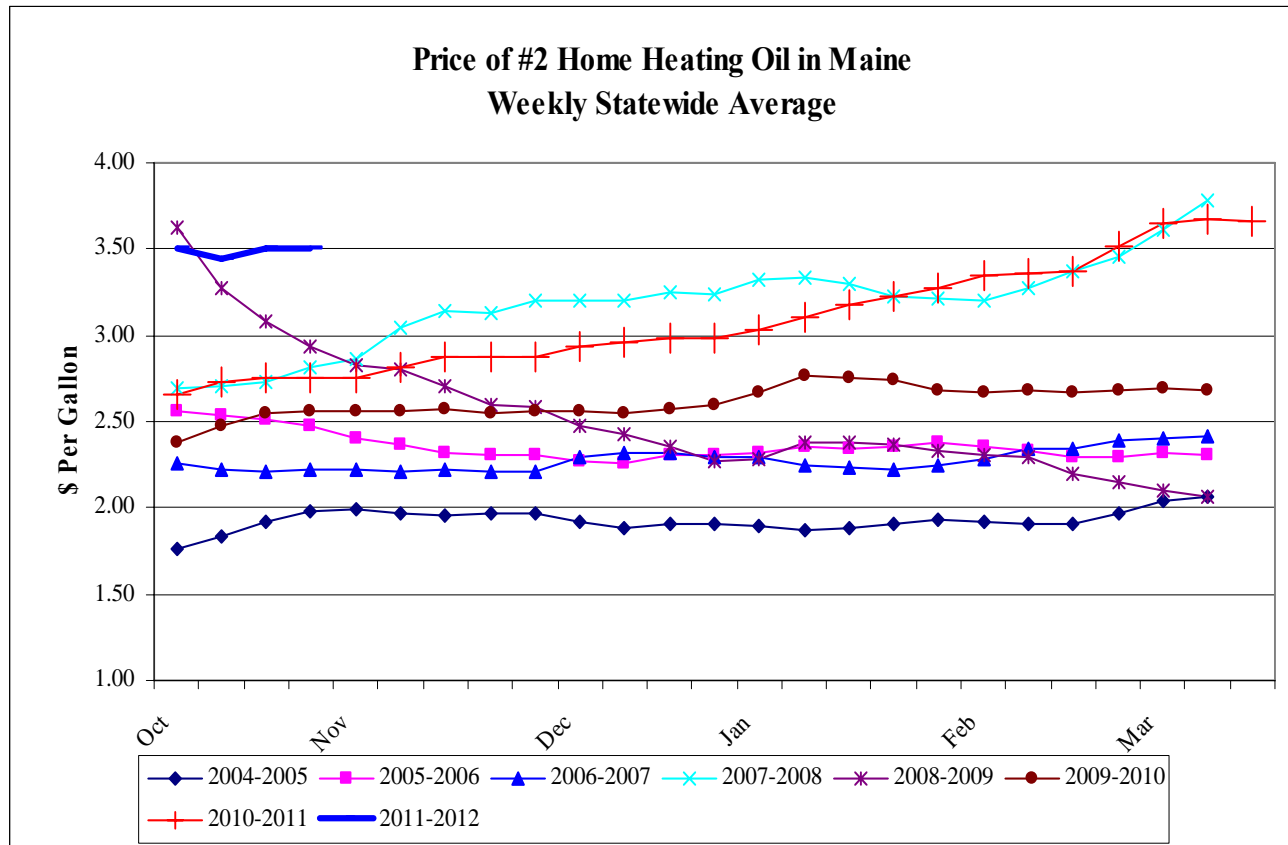
Long-Term Performance ending September 30, 2011					
(annualized performance)					
	1 Year	3 Years	5 Years	10 Years	30 Years
Total Fund	0.6%	3.2%	1.3%	5.3%	9.5%



Heating Oil Price Update

October begins the 2011-2012 winter heating season in Maine, and the average price of #2 home heating oil is at \$3.51 per gallon, \$0.75 per gallon, 27.9%, higher than one year ago. As the chart below illustrates, as of October 24, 2011, the average price is the second highest for Maine recorded at the beginning of a winter heating season. The U.S.

Energy Information Administration projects that the average price for home heating oil may reach \$3.71 per gallon in the Northeast this winter. This approaches the record levels set at the end of the 2007-2008 winter heating season, when the price peaked at \$3.78 per gallon during the 3rd week of March of 2008.



MaineCare Update

MaineCare Spending

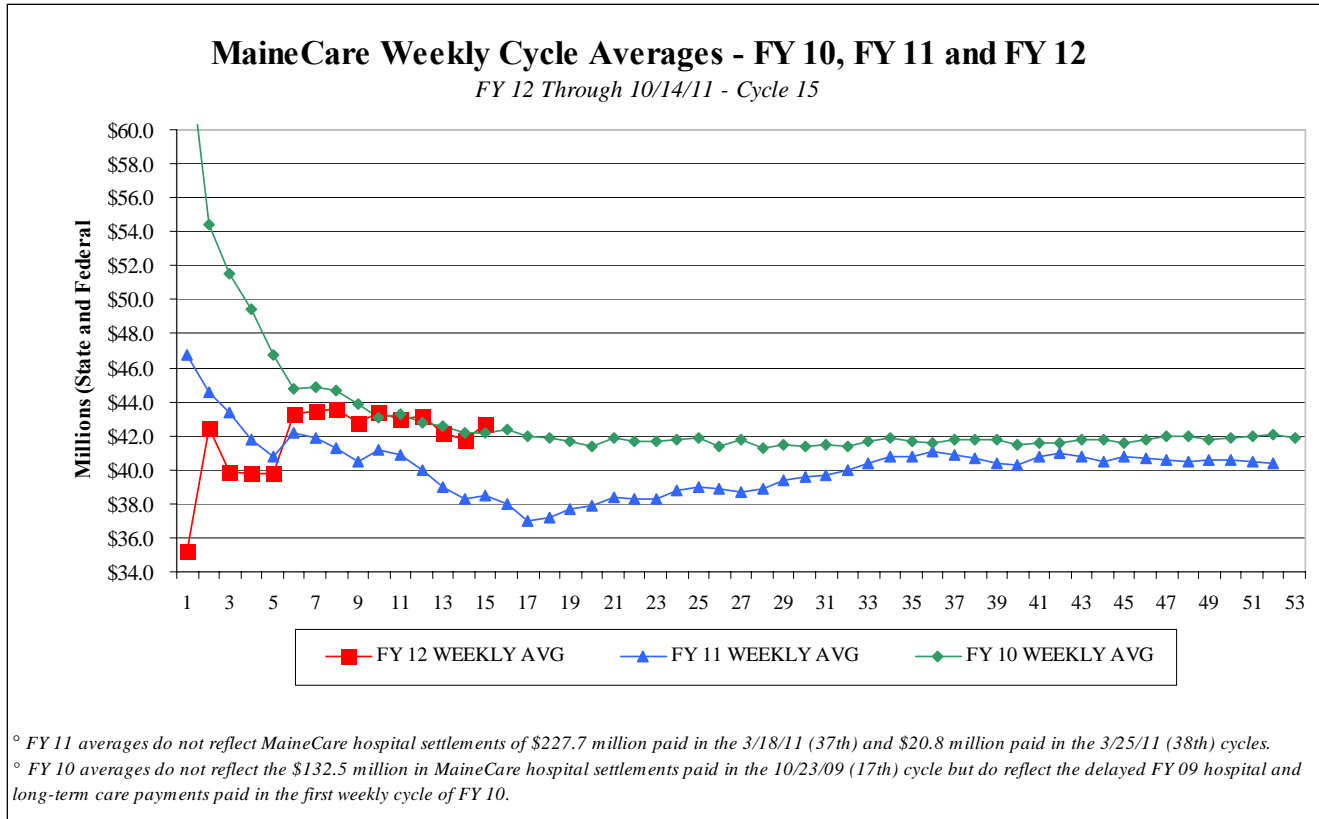
The average weekly MaineCare cycle for FY 2012 through Week 15 was \$42.7 million (state and federal dollars); down slightly from the average through Week 11 of \$43.0 million but still an increase over the comparable MaineCare weekly cycle average for FY 2011 of \$40.4 million and closer to the FY 2010 average of \$42.0 million. While FY 2012 MaineCare cycles continue to fluctuate, the sustained increase in the cycle average to date suggests a continued increase in spending over FY 2011 MaineCare spending. In comparing first quarter FY 2012 and FY 2011 spending, it is

important to note that the first quarter of FY 2011 was divided between two months of claims processed through the old Maine Claims Management System (MeCMS) and one month of claims processed with the new Maine Integrated Health Management Solution (MIHMS) system. The September 1, 2010 cut over to the MIHMS system began a period of decreased MaineCare cycles that reduced MaineCare cycle averages for the remainder of FY 2011. The chart on the next page summarizes average weekly MaineCare cycle payments for FY 2012 as well as comparable payment cycle averages for FYs 2010 and 2011.

**MaineCare Update (continued)**

In her October 24th presentation to the Appropriation's Committee, Department of Health and Human Services (DHHS) Commissioner Mayhew again expressed her concern about a possible FY 2012 budget shortfall in the MaineCare program. The Commissioner repeated the explanations given at last month's Committee meeting: a higher than usual amount of claims being

processed this year for services provided in FY 2011; an increase in claims that crossover from Medicare to Medicaid for payment and the need to pay previous-year claim adjustments with the lower post-ARRA federal match rate. DHHS promised to provide additional detailed information to the Appropriation's Committee at their November 21st meeting.

**MaineCare Caseload**

The September 2011 MaineCare caseload report recently released by DHHS makes further revisions to caseload counts for the June through September period. DHHS switched the source of its MaineCare caseload data from the old "WELFRE" system to the new Maine Integrated Health Management Solution (MIHMS) claims processing system beginning in June 2011. The recently released revised data still shows a step-up in MaineCare caseload between the pre-June 2011 data source and the new data source. DHHS is continuing to work to refine the new caseload methodology but by re-running FY 2011 caseload through the new system, and by comparisons with similar data compiled by the Office of Family Independence in DHHS, it can

confirm the step-up reflects the change in counting the caseload and not an underlying step-up in MaineCare caseload. The table on the next page summarizes the caseload through May 2011 based on the previous data source, and the caseload for the most recent four months based on the new date source. Until the differences between the two sources of data are resolved, any historical trend analysis will need to factor in the change in data source.

The September MaineCare caseload report does show a significant 3,104 person increase in the non-categorical adult waiver caseload for September. This increase reflects the DHHS decision to re-open enrollment to meet the non-categorical adult waiver

**MaineCare Update (continued)**

MaineCare Caseload Summary							
Calendar Year	Traditional Medicaid	SCHIP Medicaid Expansion	SCHIP "Cub Care"	Medicaid Expansion Parents ≤ 150% FPL	Non-Categorical Adults ≤ 100% FPL	Medicaid Expansion Parents >150% FPL	Total
2002 Avg.	174,962	8,597	4,209	13,756	1,349	0	202,873
2003 Avg.	195,664	8,142	4,734	14,019	14,738	0	237,298
2004 Avg.	203,608	9,397	4,502	16,414	21,138	0	255,058
2005 Avg.	209,817	10,130	4,159	18,301	19,875	2,016	264,298
2006 Avg.	212,842	10,289	4,518	18,790	14,670	4,998	266,106
2007 Avg.	215,763	9,909	4,524	19,010	20,060	5,490	274,756
2008 Avg.	217,214	9,513	4,524	18,273	14,276	5,582	269,381
2009 Avg.	226,423	9,590	4,801	18,976	10,673	5,857	276,320
2010 Avg.	236,637	10,337	5,255	20,840	14,369	6,612	294,049
Detail for 12 Months thru May 2011							
Jun-10	236,604	10,279	5,200	21,108	15,397	6,613	295,201
Jul-10	237,337	10,329	5,257	21,176	15,048	6,710	295,857
Aug-10	238,279	10,300	5,297	20,938	15,496	6,692	297,002
Sep-10	238,949	10,449	5,332	20,944	15,855	6,692	298,221
Oct-10	239,502	10,483	5,371	20,931	16,778	6,741	299,806
Nov-10	239,390	10,480	5,399	21,033	16,355	6,718	299,375
Dec-10	239,176	10,478	5,491	21,024	15,789	6,746	298,704
Jan-11	239,421	10,411	5,531	20,974	17,446	6,830	300,613
Feb-11	239,742	10,201	5,469	20,748	17,106	6,830	300,096
Mar-11	241,095	10,040	5,507	20,738	16,714	6,955	301,049
Apr-11	241,114	10,054	5,485	20,708	16,197	6,957	300,515
May-11	241,298	9,984	5,543	20,691	15,659	6,963	300,138
Detail June 2011 through August 2011¹							
Jun-11	251,147	10,110	5,835	21,465	16,629	7,715	312,901
Jul-11	251,756	10,307	5,854	21,641	16,257	7,692	313,507
Aug-11	252,163	10,434	5,841	21,809	15,853	7,752	313,852
Sep-11	250,207	10,588	5,834	22,059	18,957	7,713	315,358
Change:							
Latest month	-1,956	154	-7	250	3,104	-39	1,506
¹ Beginning with its June 2011 MaineCare Caseload report, the DHHS switched the source of MaineCare caseload data from the old WELFRE system to the new Maine Integrated Health Management System (MIHMS). DHHS continues to refine this new methodology and in its recently released September 2011 report makes further revisions to caseload counts for the June through August period. The new data are shown separate from pre-June 2011 historical data because comparisons are still not valid.							
Eligibility Descriptions:							
<ul style="list-style-type: none"> • Traditional Medicaid includes adults and children in receipt of a financial benefit (TANF, IV-E); aged and disabled persons in receipt of a financial benefit (SSI, SSI Supplement), institutionalized persons (NF), and others not included below. • SCHIP (State Child Health Insurance Program) Medicaid Expansion Children (MS-CHIP) (effective July 1998) are children with family incomes above 125/133% and up to and including 150% of the Federal Poverty Level (FPL). • SCHIP "Cub Care" Children (effective July 1998) are children with family incomes above 150% and up to and including 200% of FPL. • Medicaid Expansion Parents are persons who function as the primary caretakers of dependent children and whose income is above 100% and up to and including 150% of FPL (effective September 2000); and beginning May 2005, up to and including 200% of FPL. • Non-Categorical Adults (effective October 2002) are persons who are over 21 and under 65, not disabled, not the primary caretakers of dependent children, and whose income is not more than 100% of FPL. 							

General Fund Revenue
Fiscal Year Ending June 30, 2012 (FY 2012)
September 2011 Revenue Variance Report

Revenue Category				Fiscal Year-To-Date					FY 2012 Budgeted Totals
	September '11 Budget	September '11 Actual	September '11 Variance	Budget	Actual	Variance	Variance %	% Change from Prior Year	
Sales and Use Tax	92,987,227	96,163,956	3,176,729	189,894,925	195,535,620	5,640,695	3.0%	6.6%	955,812,221
Service Provider Tax	4,938,618	4,235,272	(703,346)	8,383,264	7,080,091	(1,303,173)	-15.5%	-12.3%	56,877,680
Individual Income Tax	150,091,453	153,813,242	3,721,789	325,169,908	319,397,182	(5,772,727)	-1.8%	3.5%	1,445,821,209
Corporate Income Tax	32,161,360	41,173,243	9,011,883	40,983,749	53,478,191	12,494,442	30.5%	21.6%	180,396,827
Cigarette and Tobacco Tax	13,194,098	12,981,104	(212,994)	39,164,680	37,842,188	(1,322,492)	-3.4%	-5.5%	143,623,350
Insurance Companies Tax	90,538	869,821	779,283	976,677	2,698,529	1,721,852	176.3%	624.9%	76,215,000
Estate Tax	2,716,075	1,626,069	(1,090,006)	2,716,075	3,122,878	406,803	15.0%	-17.0%	35,810,855
Other Taxes and Fees *	7,507,374	8,333,421	826,047	24,325,626	25,156,065	830,439	3.4%	-15.5%	135,094,104
Fines, Forfeits and Penalties	2,599,033	2,141,594	(457,439)	7,820,188	6,395,064	(1,425,124)	-18.2%	-18.5%	28,399,692
Income from Investments	10,929	36,384	25,455	44,835	79,789	34,954	78.0%	77.9%	257,766
Transfer from Lottery Commission	3,826,430	4,105,546	279,116	12,435,898	12,891,438	455,540	3.7%	2.3%	50,700,000
Transfers to Tax Relief Programs *	(21,923,064)	(23,178,572)	(1,255,508)	(29,987,350)	(35,943,451)	(5,956,101)	-19.9%	-14.1%	(112,068,263)
Transfers for Municipal Revenue Sharing	(2,643,108)	(3,102,848)	(459,740)	(22,517,872)	(23,663,766)	(1,145,894)	-5.1%	-3.7%	(94,003,511)
Other Revenue *	3,154,355	4,359,451	1,205,096	4,345,564	5,598,422	1,252,858	28.8%	109.8%	42,691,921
Totals	288,711,318	303,557,684	14,846,366	603,756,167	609,668,240	5,912,073	1.0%	3.9%	2,945,628,851

* Additional detail by subcategory for these categories is presented on the following page.

General Fund Revenue
Fiscal Year Ending June 30, 2012 (FY 2012)
September 2011 Revenue Variance Report

Revenue Category	September '11 Budget	September '11 Actual	September '11 Variance	Fiscal Year-To-Date					FY 2012 Budgeted Totals
				Budget	Actual	Variance	Variance %	% Change from Prior Year	
Detail of Other Taxes and Fees:									
- Property Tax - Unorganized Territory	0	0	0	0	0	0	N/A	N/A	13,536,928
- Real Estate Transfer Tax	834,763	893,518	58,755	1,601,031	1,790,451	189,420	11.8%	-57.4%	9,767,309
- Liquor Taxes and Fees	1,784,021	2,077,140	293,119	5,745,437	6,097,936	352,499	6.1%	-1.1%	20,467,530
- Corporation Fees and Licenses	210,775	194,117	(16,658)	895,765	747,982	(147,784)	-16.5%	-15.7%	7,697,099
- Telecommunication Personal Prop. Tax	0	0	0	0	71,690	71,690	N/A	N/A	14,641,734
- Finance Industry Fees	1,904,581	2,203,950	299,369	5,713,743	5,709,150	(4,593)	-0.1%	-2.1%	23,265,980
- Milk Handling Fee	93,877	102,354	8,477	281,631	285,101	3,470	1.2%	-82.2%	1,126,529
- Racino Revenue	744,836	1,320,262	575,426	2,619,885	3,126,124	506,239	19.3%	10.6%	10,849,437
- Boat, ATV and Snowmobile Fees	286,590	288,409	1,819	1,277,909	1,277,693	(216)	0.0%	0.0%	4,500,295
- Hunting and Fishing License Fees	1,132,130	728,284	(403,846)	4,583,044	4,536,361	(46,683)	-1.0%	0.1%	17,332,248
- Other Miscellaneous Taxes and Fees	515,801	525,387	9,586	1,607,181	1,513,577	(93,604)	-5.8%	-37.8%	11,909,015
Subtotal - Other Taxes and Fees	7,507,374	8,333,421	826,047	24,325,626	25,156,065	830,439	3.4%	-15.5%	135,094,104
Detail of Other Revenue:									
- Liquor Sales and Operations	2,751	3,150	399	6,073	9,000	2,927	48.2%	43.0%	7,669,727
- Targeted Case Management (DHHS)	116,666	1,098,652	981,986	1,306,298	2,479,054	1,172,756	89.8%	-29.6%	5,225,200
- State Cost Allocation Program	1,108,242	813,809	(294,433)	3,973,506	3,106,861	(866,645)	-21.8%	-12.3%	16,467,934
- Unclaimed Property Transfer	0	0	0	0	0	0	N/A	N/A	2,333,420
- Toursim Transfer	0	0	0	(5,876,495)	(5,876,495)	0	0.0%	-5.9%	(9,305,250)
- Transfer to Maine Milk Pool	(140,897)	0	140,897	(582,304)	0	582,304	100.0%	100.0%	(1,108,312)
- Transfer to STAR Transportation Fund	0	0	0	(2,072,166)	(2,072,166)	0	0.0%	-0.3%	(3,115,000)
- Other Miscellaneous Revenue	2,067,593	2,443,840	376,247	7,590,652	7,952,168	361,516	4.8%	35.0%	24,524,202
Subtotal - Other Revenue	3,154,355	4,359,451	1,205,096	4,345,564	5,598,422	1,252,858	28.8%	109.8%	42,691,921
Detail of Transfers to Tax Relief Programs:									
- Me. Resident Prop. Tax Program (Circuitbreaker)	(11,705,788)	(13,117,555)	(1,411,767)	(19,770,074)	(21,187,763)	(1,417,689)	-7.2%	-5.3%	(41,083,286)
- BETR - Business Equipment Tax Reimb.	(10,217,276)	(10,061,017)	156,259	(10,217,276)	(14,755,688)	(4,538,412)	-44.4%	-34.8%	(51,552,995)
- BETE - Municipal Bus. Equip. Tax Reimb.	0	0	0	0	0	0	N/A	100.0%	(19,431,982)
Subtotal - Tax Relief Transfers	(21,923,064)	(23,178,572)	(1,255,508)	(29,987,350)	(35,943,451)	(5,956,101)	-19.9%	-14.1%	(112,068,263)
Inland Fisheries and Wildlife Revenue - Total	1,518,393	1,106,168	(412,225)	6,127,485	6,079,875	(47,610)	-0.8%	-0.2%	22,820,946

Highway Fund Revenue
Fiscal Year Ending June 30, 2012 (FY 2012)
September 2011 Revenue Variance Report

Revenue Category				Fiscal Year-To-Date					FY 2012 Budgeted Totals
	September '11 Budget	September '11 Actual	September '11 Variance	Budget	Actual	Variance	% Variance	% Change from Prior Year	
Fuel Taxes:									
- Gasoline Tax	19,457,836	19,542,875	85,039	38,746,398	38,549,350	(197,048)	-0.5%	-2.4%	198,610,000
- Special Fuel and Road Use Taxes	4,654,216	3,805,165	(849,051)	7,758,466	6,657,654	(1,100,812)	-14.2%	-9.1%	44,360,000
- Transcap Transfers - Fuel Taxes	(1,771,910)	(1,714,450)	57,460	(4,907,686)	(4,884,555)	23,131	0.5%	0.9%	(17,842,752)
- Other Fund Gasoline Tax Distributions	(486,583)	(488,709)	(2,126)	(1,472,063)	(1,489,365)	(17,302)	-1.2%	-0.1%	(5,066,641)
Subtotal - Fuel Taxes	21,853,559	21,144,881	(708,678)	40,125,115	38,833,084	(1,292,031)	-3.2%	-3.9%	220,060,607
Motor Vehicle Registration and Fees:									
- Motor Vehicle Registration Fees	5,256,482	4,386,486	(869,996)	17,274,127	15,855,064	(1,419,063)	-8.2%	-8.7%	64,805,936
- License Plate Fees	344,906	314,719	(30,187)	990,674	1,046,721	56,047	5.7%	-2.8%	3,345,309
- Long-term Trailer Registration Fees	276,994	258,419	(18,575)	952,239	997,361	45,122	4.7%	-1.3%	8,884,523
- Title Fees	947,868	917,036	(30,832)	2,888,748	3,035,585	146,837	5.1%	7.1%	11,044,291
- Motor Vehicle Operator License Fees	795,142	692,345	(102,797)	2,335,001	2,106,416	(228,586)	-9.8%	35.6%	9,124,826
- Transcap Transfers - Motor Vehicle Fees	(4,227,144)	(3,878,378)	348,766	(4,227,144)	(3,878,378)	348,766	8.3%	4.3%	(14,883,030)
Subtotal - Motor Vehicle Reg. & Fees	3,394,248	2,690,627	(703,621)	20,213,645	19,162,768	(1,050,877)	-5.2%	-3.2%	82,321,855
Motor Vehicle Inspection Fees	214,200	278,195	63,995	746,100	703,118	(42,982)	-5.8%	-8.3%	2,982,500
Other Highway Fund Taxes and Fees	131,415	106,215	(25,200)	379,824	354,720	(25,104)	-6.6%	-5.6%	1,320,525
Fines, Forfeits and Penalties	109,198	81,116	(28,082)	328,975	252,271	(76,704)	-23.3%	-21.4%	1,205,049
Interest Earnings	2,950	7,904	4,954	5,900	17,932	12,032	203.9%	-41.4%	32,446
Other Highway Fund Revenue	539,750	570,029	30,279	1,494,937	1,557,326	62,389	4.2%	6.2%	8,449,178
Totals	26,245,320	24,878,967	(1,366,353)	63,294,496	60,881,220	(2,413,276)	-3.8%	-3.6%	316,372,160